

Congress of the United States
Washington, DC 20510

November 5, 2009

The Honorable Shaun Donovan
Secretary
Department of Housing and Urban Development
451 7th Street S.W., Room 100
Washington, DC 20410

Dear Secretary Donovan:

We are writing today to continue our dialogue regarding the HUD-subsidized Phoenix Apartments in Indianapolis, as there are new developments that need to be brought to your attention.

We are encouraged by this administration's desire to take a fresh look at urban renewal and ask that you make the situation at the Phoenix Apartments a priority. Not only can the lives of residents be dramatically improved by demanding more accountability of the owners, we can also lay the groundwork for lifting up a challenged Indianapolis neighborhood.

As we shared with HUD in a letter dated December 21, 2007 (copy attached), the situation at the Phoenix Apartments is grim. In December 2007, the Phoenix apartments drew scrutiny from community leaders, local press and law enforcement following the highly-publicized beating death of three-year-old TaJanay Bailey.

Two years later, crime continues to be pervasive throughout the complex's 328 units (only 264 of which are occupied—all subsidized through Section 8). For the one-year period between September 1, 2008 and August 31, 2009, there have been 273 incidents reported by the Indianapolis Metropolitan Police Department.

Though there are growing crime concerns, the Phoenix has passed all of the physical inspections that are required to maintain their Housing Assistance Program (HAP) contracts. The HAP contract in this case has created a situation in which not only are rent levels artificially high but, based on HUD's response to our 2007 letter, there is nothing HUD can do to influence the situation at the Phoenix apartments.

We are hopeful that under this new administration, with its focus on community development and the revitalization of challenged urban neighborhoods, that there is further consideration when it comes to seriously taking into account pervasive crime at the Phoenix. We believe that HUD must hold ownership accountable for not only the physical condition of the property, but conditions as they relate to security and public safety. We recognize that criminal activity is not exclusive to the Phoenix apartments, but it is hard to ignore the fact that crime has been a perpetual problem at this property for the last several years.

There appear to be few if any clear mechanisms in the current HUD regulations to hold owners accountable for high incidents of crime occurring on their properties. Therefore, we would like to work with HUD to explore how crime can be evaluated as a factor in considering the renewal of a HAP contract. It is our understanding that as recently as 1996, HUD took crime statistics into account when deciding whether or not to issue new HAP contracts. When HUD stopped issuing new contracts, crime statistics were no longer considered in the evaluation of HAP contracts.

Given the situation at the Phoenix Apartments and President Obama's interest in urban renewal, we would like to convene a meeting to discuss the possibility of reinstituting a regulation that more fully evaluates crime when considering a HAP contract renewal, and how this change could positively impact the situation at the Phoenix apartments.

There are a number of factors that necessitate this meeting being held expeditiously. We look forward to hearing from you. Your office may contact our respective Chiefs of Staff to arrange this meeting.

Sincerely,



Evan Bayh
United States Senator



Andre Carson
Member of Congress

Cc: Carol Galante, Deputy Assistant Secretary, Multifamily Housing Programs, U.S.
Department of Housing and Urban Development
John Hall, U.S. Department of Housing and Urban Development, Indianapolis